

MARKET ANALYSIS- October 25, 2001

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The large production figures released by the USDA a week ago continued to linger in the minds of traders as we moved into this week where the largest influences on the market would be export sales numbers, the census crush, and of course, weather developments. The corn harvest report put us at 48% complete, 11% below the five-year average and 29% behind last year’s pace. This deteriorating harvest condition, combined with wind damage to crops later in the week and wet planting conditions in Argentina, spurred some profit taking in the market and led to a slight rebound in prices. Trader’s were not too disappointed by Thursday’s export sales figures, with the numbers coming in at mid-range of analyst estimates. Actual export sales are still running about 143 million bushels behind pace to reach the USDA’s annual export forecast. Corn futures remained about the same as last week, with the December contract low acting like a powerful magnet. Soybean futures had some good news early in the week with the export inspection numbers coming out at 36 million bushels above estimates of 28 to 33 million. The soy crush of 128.3 million bushels was down from the August crush of 133, but still within the range of estimates. Harvest is about 70% complete, compared to the average 78% pace, and rains are again slowing the harvest, lending some (albeit light) fundamental support. Large LDP’s seem to be generating some selling interest which has put further resistance on a rally attempt. The export report was seen a bullish indicator for soybeans, with expectations running between 700,000 – 950,000 tons and the actual coming in at 1.06 million. Actual export sales are running 29 million bushels ahead of pace to reach the USDA’s annual forecast. Despite this, nearby soybean futures ended down about 10c over the week, and given that local basis numbers stayed about the same, that only means local cash prices are down. Wheat futures continued to be the bright spot on the grain floor throughout the week. Weather worries are underpinning prices, with wetness in South America affecting quality, and worries of dry weather in the western parts of the U.S. plains. It was also a good week for wheat sales, surpassing the high end of analysts’ pre-report estimates. Actual export sales for wheat are running about 70 million bushels behind pace to reach USDA’s annual forecast. Tighter global stocks and production glitches around the world add to the optimism that exports might continue to improve.

LOCATION	CORN BASIS		SOYBEANS		WHEAT BASIS	
	CASH	NEW CROP	CASH	NEW CROP	CASH	NEW CROP
Baltimore	n/a	n/a	-27	n/a	n/a	n/a
Western MD	+28	n/a	-33	n/a	-39	n/a
Central MD	+7	-5	-44	-14	-20	-20
Southern MD	-17	-15	-40	+1	n/a	-35
Upper E. Sh	-18	-24	-38	-8	-14	-30
Lower E. Sh	-10	-29	-28	-7	-34	-31

WEEKLY CROP SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

Farmers had an average of 6.4 days suitable for fieldwork. Precipitation for October range from 0.7 inches in Anne Arundel, Calvert, and Worcester Counties, to 1.3 inches in Wicomico County. All counties are between .8 inches and 1.5 inches below normal for precipitation this month so far. **Corn harvested for grain** is 79 percent complete, progressing 12 percent from the previous week, 11 percent ahead of last year, and 10 percent ahead of the five year average. **Soybean harvest** is 42 percent complete, progressing 14 percent over the previous week, 11 percent ahead of last year, and 12 percent ahead of the five year average. Soybean harvest is progressing 28 percent over the past two weeks. Small grain seedings continue with 78 percent of the **barley** crop planted, 8 percent ahead of last year, and 5 percent ahead of the five year average. Barley is rated 1 percent in excellent condition, 52 percent good, 41 percent fair, and 6 percent poor. **Winter wheat** planting is 40 percent complete, 10 percent ahead of last year and 4 percent ahead of the average. Winter wheat condition is rated 69 percent good, 30 percent fair, and 1 percent poor. **Rye** is 47 percent planted, 13 percent ahead of last year and 5 percent ahead of the average. Rye is rated 4 percent in excellent condition, 57 percent good, 36 percent fair, and 3 percent poor. Topsoil and Subsoil moisture levels continue to decrease due to the dry weather. **Topsoil moisture** is rated 51 percent adequate, 43 percent short, and 6 percent very short. **Subsoil moisture** is 41 percent adequate, 53 percent short, and 6 percent very short.

CASH GRAINS - REGIONAL (\$/BU) DEALERS AVERAGE CASH QUOTES											
Grade and Commodity	#2 Y. Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#1 White Oats		#3 Barley		
Date	10/17	10/24	10/17	10/24	10/17	10/24	10/17	10/24	10/17	10/24	
Baltimore	----	----	4.07	3.98	----	----	----	----	----	----	
Western Md	2.30	2.30	4.02	3.92	2.45	2.45	----	----	1.40	1.40	
Central MD	2.10	2.09	3.86	3.81	2.65	2.64	1.90	1.90	1.45	1.50	
Southern MD	1.86	1.85	3.94	3.85	----	----	----	----	----	----	
Upper E. Sh	1.86	1.84	3.96	3.87	2.58	2.70	----	----	----	1.21	
Lower E. Sh	1.94	1.92	4.05	3.97	2.50	2.50	----	----	1.27	1.18	
Soybean Meal		Lower Eastern Shore			Dealer's Average Cash Quotes (\$/ton)						
Date		10/17		10/24		Date		10/17		10/24	
48% Soybean Meal		190.00		193.00		44% Soybean Meal		178.00		183.00	

FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer's Avg Quotes								
Grade and Commodity	#2 Y. Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
Date	10/17	10/24	10/17	10/24	10/17	10/24	10/17	10/24
Baltimore	----	----	4.14	----	----	----	----	----
Western Md	----	----	----	----	----	----	----	----
Central MD	2.40	2.42	4.15	4.11	2.70	2.75	----	----
Southern MD	----	2.32	----	4.26	2.50	2.60	----	1.20
Upper E Shore	2.10	2.23	4.13	4.17	2.58	2.65	1.21	1.21
Lower E Shore	1.97	2.18	4.07	4.18	2.59	2.64	1.23	1.25

GRAIN FUTURES- Chicago Board of Trade (\$/BU) Settle - October 25, 2001									
Corn		Soybeans		Wheat		Oats		Soybean Meal ¹	
Nov	2.01½	Nov	4.24½	Dec	2.83¾	Dec	1.84	Dec	158.20
Dec	2.06½	Ja02	4.31¾	Mr02	2.91¾	Mr02	1.72¼	Jan02	156.00
Jan 02	2.11	Mar	4.37¾	May	2.93¼	May	1.63½	Mar	153.20
Mar	2.19	May	4.43½	July	2.94½			May	151.20
May	2.26¾	July	4.48¾	Dec	3.06			Jul	151.00
July	2.32½	Nov	4.51¼					Aug	150.10
Sept	2.37¾							Sept	150.20

HAY AND STRAW (\$/cwt)					
New Holland, PA - October 22, 2001 - 94 Loads - \$/ton					
Alfalfa	90.00-220.00	Orchardgrass	60.00-190.00	Ear Corn	72.00- 85.00
Mixed	70.00-210.00	Straw	100.00-205.00	Oats, Bu	2.10- 3.00
Timothy	95.00-180.00	Rye, Bu	3.75- 5.10	Corn Fodder	70.00- 87.00
Westminster, MD - October 23, 2001 -135 Lots - \$/bale					
Alfalfa	1.50-4.40	Timothy	1.70- 3.90	Grass	.90- 2.50
Mixed	1.20-4.30	Lrg Rd	18.00-20.00	Lrg Rd	12.00-20.00
Straw	2.20-3.00	Clover Mixed	1.70-2.70	Firewood (cord)	82.00-90.00
POULTRY (Grade A) - Week Ending October 27, 2001 Negotiated Price, cents/lbs					
	Current Week	Week Ago	Month Ago	Year Ago	
NY Wtd Avg. (Fryers)	53.22	53.04	58.87	46.43	
12-City Composite	59.39	60.43	62.08	57.18	
LAMBS - Westminster, MD - October 25, 2001 - \$/cwt					
Hi-Ch-Pr	100-125 lbs	56.00-68.00	Sheep (13 hd)		25.00-55.00
	80-100 lbs	62.00-75.00			
	50-80 lbs	72.00-79.00			
	135-165 lbs	45.00-58.00			
TERMINAL MARKET HOGS - October 25, 2001 \$/cwt			DIRECT MARKET HOGS - October 25, 2001 - \$/cwt		
Base Price Range (\$/cwt)	Carcass Basis	Sows (1-3)	Westminster, MD		
a.m.	Base 185 lb Hog	300-449 lbs	Not Available		
Eastern Cornbelt	43.75-50.68	18.00-37.63			
Iowa, Minn	41.75-52.70	n/a	Millsboro, DE Market Hogs (\$/cwt) - Next Sale - 11/6		
FEEDER PIGS - (\$/cwt)					
Gumboro, DE - October 24, 2001			New Holland, PA - October 24, 2001		
Next Sale - 11/19			Head: 448	30-35 lbs	68.00-74.00
			Trend: Steady	40-50 lbs	63.00-75.00
LIVESTOCK FUTURES - CHICAGO MERC EXCH - Settle - October 24, 2001 - \$/cwt					
CATTLE-LIVE			HOGS		
Oct	65.40	Apr	72.67	Dec	47.70
Dec	66.90	Jun	68.35	Fb02	50.60
Fb02	70.67	Aug	68.40	Apr	52.72
				May	59.77
				Jun	61.65
				Jul	60.05
STOCKER-FEEDER CATTLE (\$/cwt)					
Winchester, VA - October 23, 2001			Westminster, MD - October 23, 2001		
Steers	300-400 lbs	90.00-102.00	Steers	200- 400 lbs	78.00- 88.00
	400-500 lbs	91.00- 96.75		400- 500 lbs	75.00- 88.00
	500-600 lbs	75.00- 86.00		500- 700 lbs	69.00- 81.00
	600-700 lbs	76.50- 83.50		700- 900 lbs	57.00- 65.00
	700-800 lbs	70.50- 77.25		900-1000 lbs	58.00- 69.00
Heifers	300-400 lbs	75.00- 86.50	Heifers	300- 500 lbs	70.00- 81.00
	400-500 lbs	75.00- 86.00		500- 600 lbs	67.00- 76.00
	500-600 lbs	66.00- 77.00		600- 700 lbs	60.00- 65.00
	600-700 lbs	67.00- 71.00		700- 900 lbs	51.00- 61.00
			Returned to Farm		
			Hols Bulls #1	95- 120 lbs	102.00-116.00
				85- 95 lbs	85.00-107.00
			#2	95- 120 lbs	80.00-100.00
Lancaster, New Holland & Vintage Week Ending - October 27, 2001					
Bull, Holstein	90-120 lbs	85.00-140.00	Plainer	80-125 lbs	55.00-120.00
Heifers, Hols.	90-110 lbs	470.00-690.00	Plainer	85- 90 lbs	200.00-470.00
SLAUGHTER CATTLE (\$cwt)					
Westminster, MD - October 23, 2001					
Fed Steers			Fed Heifers		
H-Ch #2-4	1200-1450 lbs	66.00-68.25	H-Ch-Pr	1050-1300 lbs	67.00-69.75
	1500-1650 lbs	62.00-65.75		1400-1500 lbs	63.00-65.25
Ch #2-3	1050-1200 lbs	62.00-66.25	L-Ch	1000-1200 lbs	61.00-65.75
Cows			Veal Calves		
Breakers		39.00-43.25	Good Slaughter	80- 110 lbs	45.00-55.00
Boners		35.00-39.00			
Lean		32.00-36.00			
Thin		32.00 DOWN			
Lancaster, New Holland & Vintage - Week Ending - October 27, 2001					
Steers, Choice 2&3	1110-1450 lbs	64.00- 68.75		Closed \$2 lower	
Heifers, Choice 2&3	1095-1305 lbs	64.00- 68.50		Closed \$2 lower	
Cows, Breakers 75-80 pct lean		36.00- 45.50		\$3 - \$5, on instances \$6 lower	
Bulls, YG 1	1105-2150 lbs	50.75- 60.50		\$2 - \$3 lower	
Vealers, Good & Choice	70- 115 lbs	40.00- 67.00		Steady - \$8 higher	
Calves, Good & Choice	235- 295 lbs	88.00-118.00		Not well tested	

